

10 LESSONS FROM FAILURE AND HOW I'M GOING TO BUILD MY NEXT COMPANY

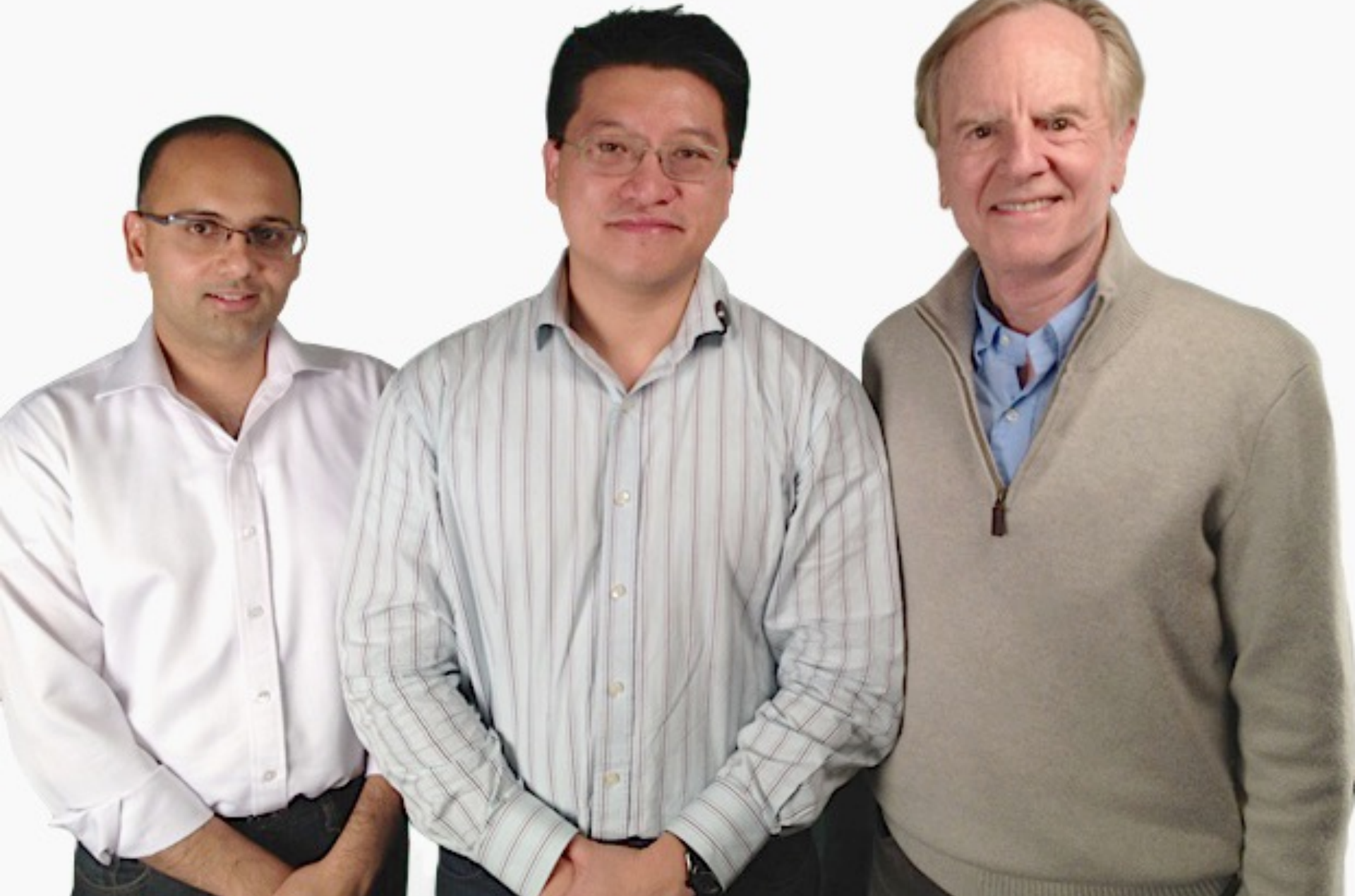
SONNY VU
CEO AND FOUNDER, MISFIT

BACKGROUND



MISFIT

FOUNDERS

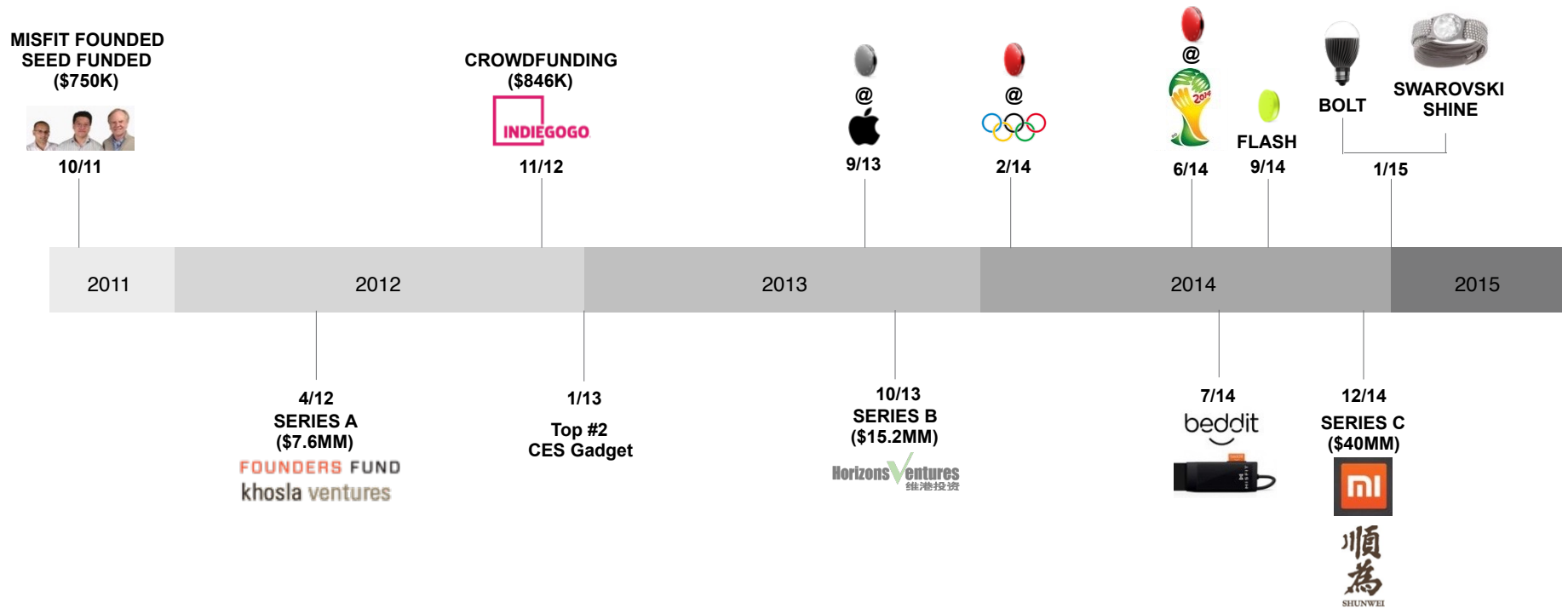


SRIDHARIYENGAR

SONNY VU

JOHN SCULLEY

TIMELINE



MISFIT INVENTS AND MARKETS

WEARABLE AND SMART HOME PRODUCTS

BEIJING (5)
COMMERCIAL DEVELOPMENT

SEOUL (CONTRACT)
MANUFACTURING

SHENZHEN (40)
SOFTWARE ENGINEERING
MANUFACTURING

SAN FRANCISCO (45)
DESIGN
HARDWARE ENGINEERING
COMMERCIAL DEVELOPMENT

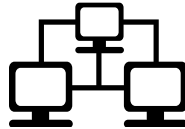
HO CHI MINH CITY (90)
ADVANCED R&D
SOFTWARE ENGINEERING
OPERATIONS

REVOLUTIONS IN COMPUTING

PC



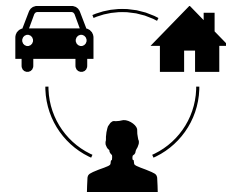
INTERNET



MOBILE/SOCIAL



INTERNET OF THINGS



1980'S

1990'S

2000'S

2010'S

MISFIT SHINE

AN ELEGANT ACTIVITY & SLEEP MONITOR



“TOP 10 MOST BEAUTIFUL PRODUCTS OF 2013.”
- CNET (JAN 2014)

“A REFERENCE DESIGN FOR FUTURE WEARABLES.”
- NEW YORK TIMES (MAR 2014)



LEARNINGS FROM 3 COMPANIES OVER 20 YEARS

1 - HIRING - HOW

DON'T HIRE IN DESPERATION.

HIRE FOR STRENGTH, NOT LACK OF WEAKNESSES.

ONLY WORK WITH PEOPLE YOU LIKE.

HIRING - WHO

SKILLS, NOT JUST IQ.

WISDOM, NOT JUST EXPERIENCE.

CULTURAL FIT ABOVE ALL.

“THE WHOLE PROBLEM WITH THE WORLD
IS THAT FOOLS AND FANATICS
ARE ALWAYS SO CERTAIN OF THEMSELVES
AND WISER PEOPLE SO FULL OF DOUBTS.”
(BERTRAND RUSSELL)

2 - CULTURE

SET THE FOUNDATION EARLY. (HIRES 1-50)

HIRE AND FIRE BASED ON CULTURE / VALUES.

WORK-LIFE INTEGRATION, NOT WORK-LIFE BALANCE.

3 - VALUES

CREATE VALUES THAT WILL DRIVE DECISIONS.

REINFORCE THEM WITH STORIES THAT GET PASSED ON.

RECOGNIZE AND WHEN APPROPRIATE, REWARD PEOPLE
WHO SHARE VALUES.

VALUES VS. PERFORMANCE

WHAT TO DO WITH LEADERS WHO:

	DELIVER ON COMMITMENTS	DON'T DELIVER ON COMMITMENTS
SHARE VALUES	KEEP AND CHERISH	TRAIN AND GIVE SECOND CHANCES
DON'T SHARE VALUES	SEEK OUT AND REMOVE	REMOVE

(JACK WELCH)

MISFIT VALUES

BE A MISFIT.

BE THOUGHTFUL.

DO MORE WITH LESS.

BE A SERVANT LEADER.

4 - PEOPLE

MAXIMIZE THE POTENTIAL OF EVERY PERSON:
INVEST IN TRAINING (TIME AND MONEY).

SET UP AN ENVIRONMENT THAT REQUIRES
REGULAR, SAFE, AND HONEST TWO-WAY FEEDBACK.

LET PEOPLE FAIL.

“PEOPLE ARE USUALLY LIMITED
BY WHAT THEY ATTEMPT
NOT BY WHAT THEY ARE CAPABLE OF.”
(VINOD KHOSLA)

5 - ENVIRONMENT

MAKE WORK NOT FEEL LIKE WORK.

MISFIT ENVIRONMENT

WORK THAT GIVES A SENSE OF PURPOSE.

WORK WITH PEOPLE YOU LIKE.

BE SURROUNDED BY GOOD FOOD.

“ONE OF THE BENEFITS
OF WORKING AT A STARTUP
IS YOU GET TO DO THINGS
YOU’RE NOT QUALIFIED TO DO.”
(JOHN SCULLEY)

6 - LEADING

STAND UP FOR WHAT YOU BELIEVE.

HAVE STRONG OPINIONS, LOOSELY HELD.

EAT LAST, FLY COACH.

“THE REGRET THAT COMES FROM DOING SOMETHING YOU
SHOULDN'T HAVE [IS TEMPORARY],
BUT THE REGRET THAT COMES FROM NOT DOING
SOMETHING YOU SHOULD HAVE IS INCONSOLABLE.”
(VINOD KHOSLA)

7 - PRODUCT

THINK ABOUT THE USER FIRST.

**“IT’S NOT THE USER’S JOB
TO KNOW WHAT THEY WANT.”
(STEVE JOBS)**

8 - EXECUTION

BUILD A BUSINESS, NOT JUST A PRODUCT.

BE LEAN.

BEING LEAN

ALWAYS BE GETTING USER FEEDBACK.

KNOW WHEN TO PIVOT.

MAXIMIZE THE NUMBER OF POSSIBLE PIVOTS.

MINIMIZE THE COST OF EXPERIMENTATION.

9 - SALES

DO YOUR HOMEWORK.

TELL STORIES THAT RESONATE.

FOCUS ON AMAZING VALUE.

SHOW UP.

“SHOWING UP IS 80 PERCENT OF LIFE.”

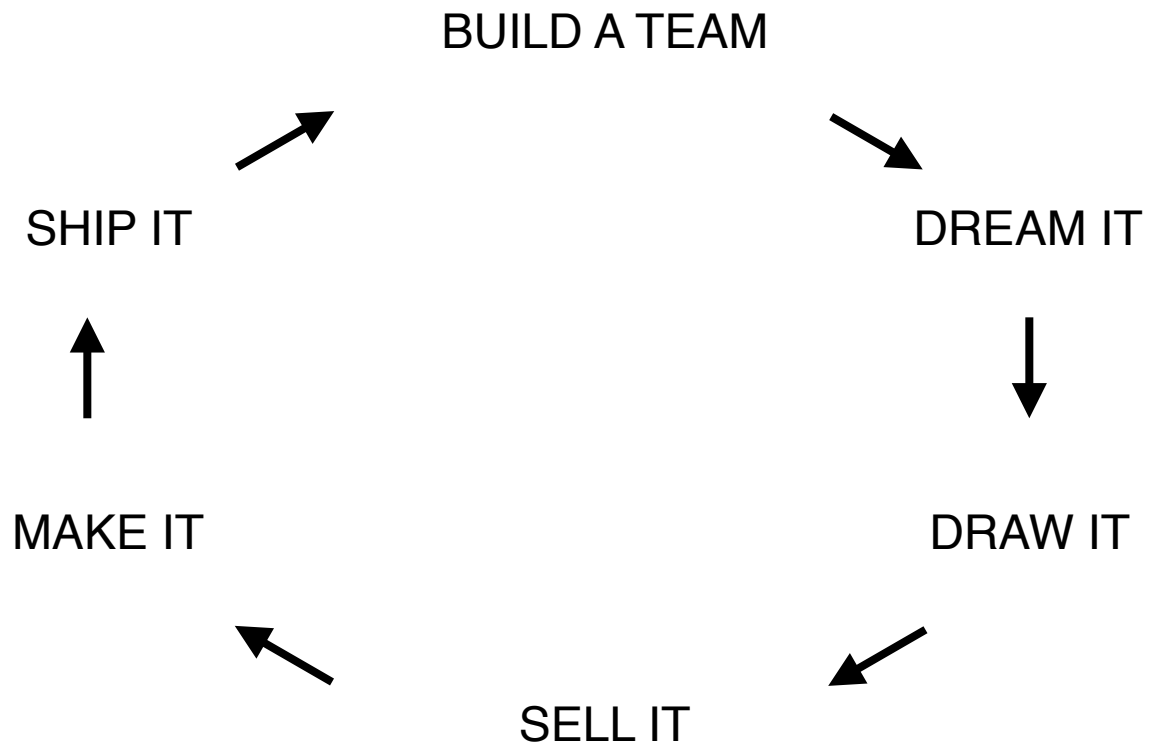
(WOODY ALLEN)

10 - BUSINESS

GIVE FIRST, GET LATER.

“ALWAYS LEAVE MONEY ON THE TABLE
FOR THE OTHER SIDE.”
(LI KA-SHING)

HOW I'M GOING TO BUILD MY NEXT COMPANY



BUILD A TEAM

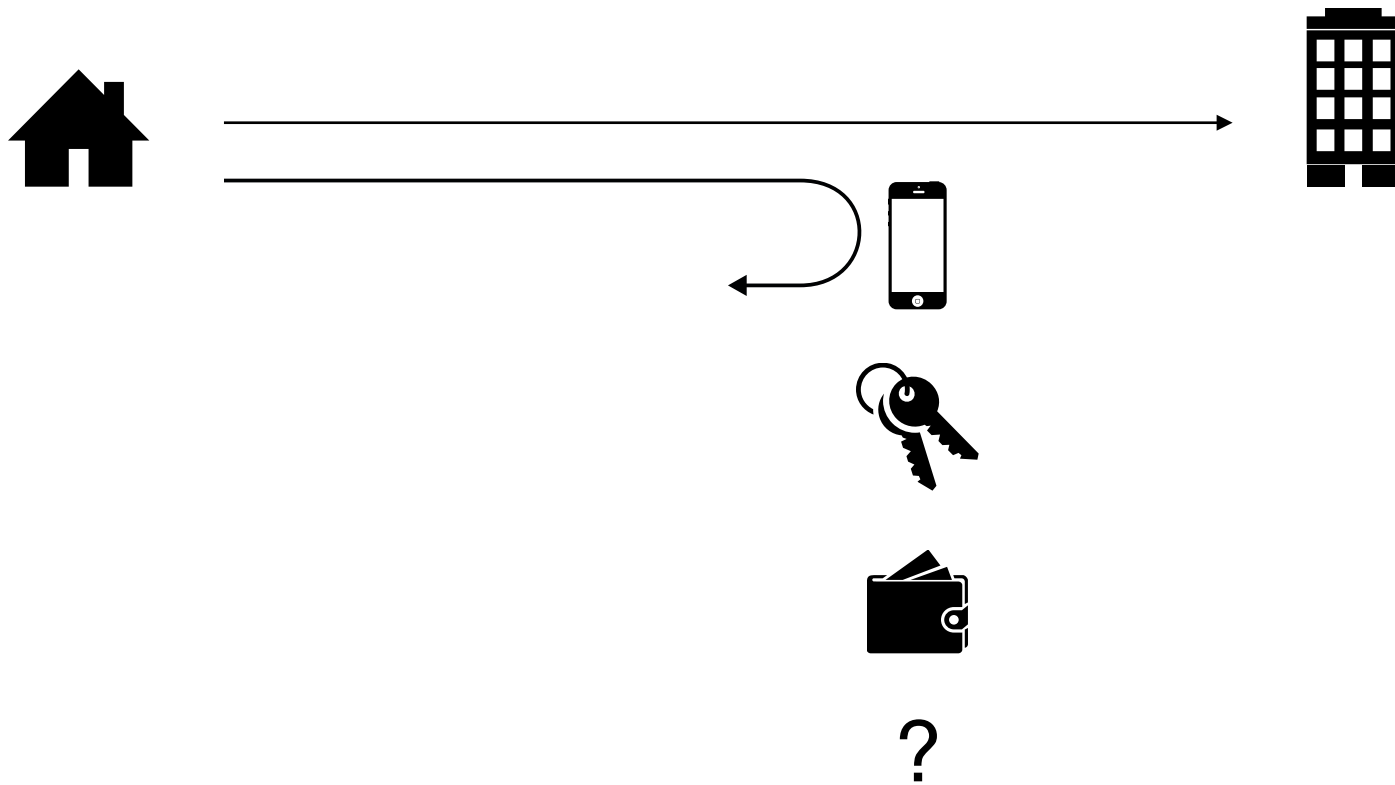
#1 ROLE AS AN ENTREPRENEUR

SALES

CUSTOMERS
TEAM MEMBERS
INVESTORS
PARTNERS
MEDIA

DREAM IT

TURN-AROUND TEST



SHORT ON IDEAS?

www.nonstartr.com

www.ykombinator.com

DRAW IT

VERBAL DESCRIPTION

V

ILLUSTRATION

V

LOOKS-LIKE MOCK UP

V

VIDEO

V

WORKS-LIKE PROTOTYPE

V

PRODUCTION SAMPLE

SELL IT

INDIEGOGO

V

KICKSTARTER

V

PRE-ORDER

V

FOCUS GROUP

CONSUMER TEST CAMPAIGN



\$846,497 raised

659,634 YouTube views

10,000+ Shines pre-ordered

7,955 customers

117 unique press placements (incl. Jeopardy!)

64 countries ordered and all

50 states

2 International product design awards

MAKE IT

START



BE A USER



WATCH USERS



PROTOTYPE



REFLECT



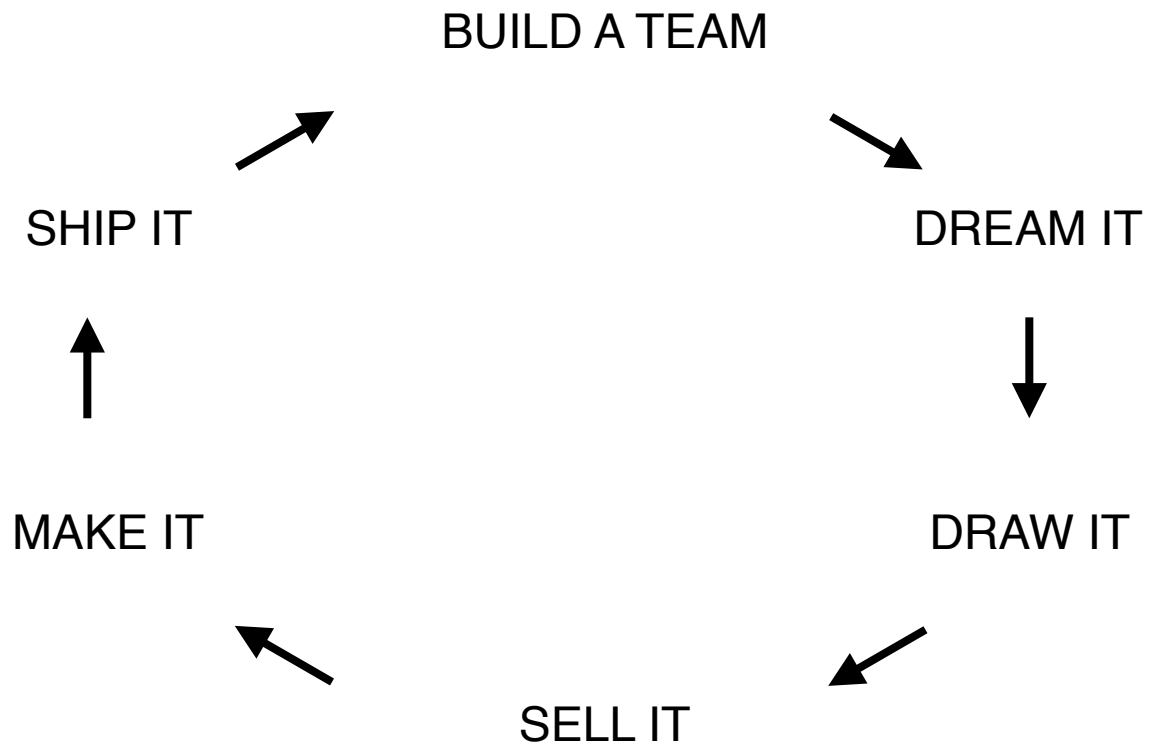
DESIGN FOR MANUFACTURING EARLY

SHIP IT

PERFECT: THE ENEMY OF GOOD ENOUGH

BE LEAN:

RELENTLESSLY GET USER FEEDBACK



QUESTIONS?

sonny@misfit.com
@SonnyVu
WeChat: MisfitSonny